

**THE COMMONWEALTH OF MASSACHUSETTS**  
Public Employee Retirement Administration Commission  
5 Middlesex Avenue, 3 rd Floor  
Somerville, MA 02145  
(617) 666-4446  
Fax: (617) 628-4002  
[www.state.ma.us/PERAC](http://www.state.ma.us/PERAC)

M E M O R A N D U M

TO: ALL RETIREMENT BOARDS

FROM: ROBERT F. STALNAKER, EXECUTIVE DIRECTOR

RE: ***ANNUAL REPORT FOR THE MASSACHUSETTS CONTRIBUTORY  
RETIREMENT SYSTEMS FOR THE YEAR ENDING DECEMBER  
31, 1997***

DATE: October 13, 1998

I am pleased to enclose PERAC's Annual Report for the Massachusetts Contributory Retirement Systems for the year ending December 31, 1997. This is the thirteenth report which we have completed providing board members, public officials, employees and retirees, and taxpayers with important information relating to the investment of assets and the financial condition of public pension systems throughout the Commonwealth.

The report features a new format which is intended to better identify a total view of fund administration instead of solely focusing on investment activities. It is designed to put investment activity in its proper context and to enable interested parties to better understand the full scope of the retirement boards role in investment management.

I would like to thank the retirement board members, their employees, custodian banks, investment managers and consultants, without whose cooperation and assistance the completion of this report would not have been possible.

Also, enclosed you will find a model press release that you may use to inform the local media about the investment of the assets and financial condition of your system.

If you have any questions with regard to this report, please contact Vicky Marcorelle, of the Investment Unit, (Ext.928) or Jim Lamenzo, Actuary (Ext.921) at (617) 666-4446.

Enclosure

**(MODEL PRESS RELEASE)**

**DATE:** \_\_\_\_\_

**CONTACT** \_\_\_\_\_

**FOR IMMEDIATE RELEASE**

\_\_\_\_\_ **RETIREMENT SYSTEM EARNED** \_\_\_\_\_ %  
**IN 1997**

The \_\_\_\_\_ Retirement System earned \_\_\_\_\_% on its investments in 1997. The average statewide was 18.69%.

“Investment return is an important element of pension funding,” PERAC Executive Director Robert F. Stalnaker noted, “which assures that resources will be available to fund the hard earned benefits of public employees and retirees”.

Last year’s investment returns for the \_\_\_\_\_ Retirement System of \_\_\_\_\_% represent a significant increase over the average return of \_\_\_\_\_% for the years 1993-1997. As a result, the market value of the \_\_\_\_\_ Retirement System assets grew in 1997 to \$\_\_\_\_\_, as compared to \$\_\_\_\_\_ in 1996.

**“(Quote from local board or other public official specifically relating to the system’s 1997 investment experience.)”**

Funded Ratio of the \_\_\_\_\_ Retirement System as of the most recent valuation was \_\_\_\_\_%. This ratio is a measure of the financial condition of the system based on the ratio the system’s assets bear to its liabilities.

**“(Another quote from local board or official specifically relating to the system’s financial condition, possibly including certain factors such as the adoption of COLA, whether or not the inclusion of 1997 investment returns are factored into the funded ratio or other factors relating to the system’s condition.)”**

**-End-**